

**§ 131E-279. Approval.**

(a) Unless otherwise required by federal law, the Division shall be the agency of the State that shall license provider sponsored organizations that seek to contract with the federal government to provide health care services directly to Medicare beneficiaries under the Medicare+Choice program.

(b) Provider sponsored organizations which have been granted a waiver pursuant to 42 U.S.C. § 1395w-25(a)(2) and which otherwise meet the requirements of the PSO's Medicare contract shall be deemed by the State to be licensed under this Article for so long as the waiver or Medicare contract remains in effect. The foregoing shall not limit the Division's authority to regulate such PSOs and their respective sponsoring providers and affiliated providers as may be permitted in 42 U.S.C. § 1395w-25(a)(2)(G) or the PSO's Medicare contract.

(c) The Division shall license a PSO as a risk-bearing entity eligible to offer health benefits coverage in this State to Medicare beneficiaries if the PSO complies with the requirements of this Article. This license shall be granted or denied by the Division not longer than 90 days after the receipt of a substantially complete application for licensing. Within 45 days after the Division receives an application for licensing, the Division shall either notify the applicant that the application is substantially complete, or clearly and accurately specify in writing to the applicant all additional specific information required by the applicant to make the application a substantially completed application. This agency response shall set forth a date and time for a meeting within 30 days after it is sent to the applicant, at which a representative of the Division will explain with particularity the additional information required by the Division in the response to make the application substantially complete. The Division shall be bound by the response unless the Division determines that it must be modified in order to meet the purposes of this Article. The Division shall not delegate the authority to modify the response. If an applicant provides the additional information set forth in the response, the application shall be considered substantially complete. If the Division has not acted on an application within 90 days after it is deemed substantially complete, the Division shall immediately issue a license to the applicant, and the applicant shall be considered to have been licensed by the Division. Any reapplication which corrects the deficiencies which were specified by the Division in the response shall be approved by the Division.

(d) For purposes of determining, under 42 U.S.C. § 1395w-25(a)(2)(B), or any successor thereof, the date of receipt by the State of a substantially complete application, the date the Division receives the applicant's written response to the agency response or an earlier date considered by the Division shall be considered to be that date. The foregoing shall not limit the Division's authority to consider an application not substantially complete under subsection (c) of this section if the applicant's response to the response does not provide substantially the information specified in the response.

(e) A license shall be denied only after the Division complies with the requirements of G.S. 131E-305. (1998-227, s. 1.)